



NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **KEVIN SHELLEY**

KS04:089

FOR IMMEDIATE RELEASE
Wednesday, December 22, 2004

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Proposed Initiative Enters Circulation

Vote Requirement for Fees/Charges. State and Local Appropriation Limits. School Funding. State Mandates. Bonds. Initiative Constitutional Amendment.

SACRAMENTO, CA --- Secretary of State Kevin Shelley announced today that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General's official title and summary is as follows:

VOTE REQUIREMENT FOR FEES/CHARGES. STATE AND LOCAL APPROPRIATION LIMITS. SCHOOL FUNDING. STATE MANDATES. BONDS. INITIATIVE CONSTITUTIONAL AMENDMENT.

- Requires certain state fees/charges be enacted by two-thirds vote of Legislature, not by current majority vote.
- Requires certain local fees/charges be approved by two-thirds of electorate; currently no vote required.
- Amends state and local appropriation limits.
- Provides procedure if state exceeds appropriation limit.
- Repeals Proposition 98 revenue transfers above appropriation limit to community college and school districts.
- Allocates General Fund revenue above appropriation limit to specific funds/purposes.
- Specifies requirements for reimbursement of local government mandates.
- Restricts state bond issuances.

The summary of the estimated fiscal impact on state and local governments, as determined by the Legislative Analyst and Director of Finance, indicates potential substantial reduction in state spending beginning in 2006-7. State spending would be restrained below current-law levels in future years. There would be a potential reduction in certain state and local revenues.

The proponents, John Campbell, Jon Coupal, and Larry McCarthy, must collect 598,105 signatures of registered voters, which is eight percent of the total votes cast for governor in the 2002 gubernatorial election, in order to qualify the measure. The 150-day deadline to circulate petitions for this measure is May 23, 2005. The initiative proponent can be reached at 916-443-6703.

For a copy of the complete text, title & summary, and circulation calendar, please contact the Secretary of State's Press Office at 916-653-6575.